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The Financial Position of Universities in Ontario: Some Relevant Data

Prepared by
the Research Division of the
Council of Ontario Universities
Requests for further information
should be directed to
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April 1985

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COUNCIL OF ONTARIO UNIVERSITIES
CONSEIL DES UNIVERSITÉS DE L'ONTARIO

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Memorandum

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From: Research Associate (Finance)

Subject: THE FINANCIAL POSITION OF UNIVERSITIES IN ONTARIO: SOME RELEVANT DATA

For many years, the Council of Ontario Universities, assisted by its Committee on Operating Grants, has published a Brief on university funding requirements addressed to the Ontaraio Council on University Affairs. Last year's version, for example, was entitled Brief to the Ontario Council on University Affairs on Operating Grant Requirements for 1985-86 (ISBN 0-88799-182-3).

This year, COU has judged it inappropriate to present such a Brief. However, in the interest of historical continuity, the tables and figures contained in previous Briefs have been updated and published in the enclosed document The Financial Position of Universities in Ontario: Some Relevant Data (ISBN 0-88799-196-3).

It would be helpful if the enclosed document could be catalogued and/or shelved as if it were part of the series of previous Briefs to OCUA. The tables and figures in those previously published Briefs are no longer adequate and the data in the enclosed document should be used instead.

J. McAllister

James A. McAllister

JAM:edg

Encl.

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PREFACE

For many years the Council of Ontario Universities, assisted by its Committee on Operating Grants, has formulated and published a brief on university funding requirements addressed to the Ontario Council on University Affairs. This year, in the absence of a response from the Government of Ontario to the Report of the Commission on the Future Development of Universities of Ontario (Bovey Commission) COU has judged it inappropriate to present such a brief.

In the interests of historical continuity, however, it has been decided to replicate and update the analytical framework within which COU's financial advice in past years has been offered. The attached tables and figures may be of use to those interested in the evolution of university financing in Ontario.

It should be noted that, because of difficulties encountered by the Tripartite Committee on Interprovincial Comparisons in the publication of its report for 1982-83, the data presented in the attached tables normally derived from that source are preliminary.

TABLES AND FIGURES

Figure 1
INDEX OF OPERATING GRANTS PER FTE ENROLMENT
1974–75 to 1984–85
(Canadian Average = 100)

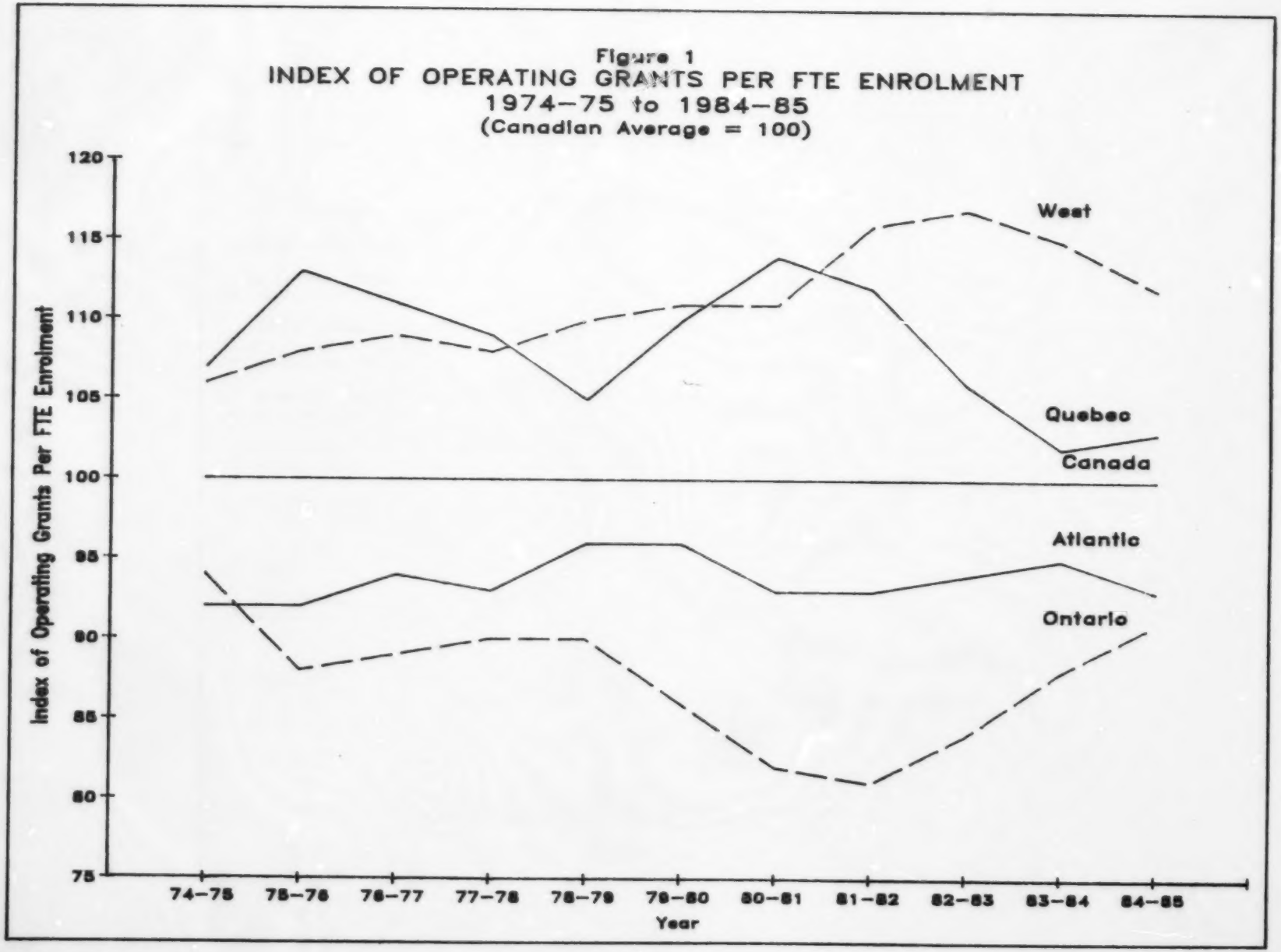

Table 1

Interprovincial Comparisons of University Financing 1982-83

Indicators	ONTARIO	RANK	AVERAGE OF REST OF CANADA	ADDITIONAL FUNDING REQUIRED TO EQUAL REST OF CANADA	
				TOTAL REQUIRED ($ millions)	TOTAL PER STUDENT $
1) GRANTS PER STUDENT	$ 4,821	(10)	$ 6,214	$ 286.2	$ 1,393
2) GRANTS PER CAPITA	$ 113	(9)	$ 146	$ 287.2	1,398
3) GRANTS + STUDENT AID PER CAPITA	$ 120	(9)	$ 155	$ 311.5	1,516
4) GRANTS + FEES PER STUDENT	$ 6,056	(9)	$ 6,901	$ 173.7	845
5) TOTAL OPERATING INCOME PER STUDENT	$ 6,350	(8)	$ 7,443	$ 224.6	1,093
6) GRANTS + STUDENT AID AS A % OF GROSS GENERAL EXPENDITURE	4.16%	(5)	4.14%	$ -52.9	-258
7) GRANTS PER $1,000 OF PERSONAL INCOME	$ 8.18	(10)	$ 11.89	$ 449.2	2,186
8) OPERATING EXPENDITURES AS A % OF GROSS DOMESTIC PRODUCT	0.94%	(8)	1.21%	$ 370.5	1,803

Source: Tripartite Committee on Interprovincial Comparisons, April 1985.

Table 2

Ontario Universities' Share of Provincial Budgetary Expenditures

(Excluding Public Debt Interest Payments)

	Universities' Share	Universities' Annual Shortfall from 1972-73 Level of Government Support
	%	$ millions
1972-73	6.6	-
1973-74	6.3	18.2
1974-75	6.0	51.0
1975-76	5.8	79.0
1976-77	6.0	67.0
1977-78	5.9	81.0
1978-79	5.9	92.9
1979-80	5.6	138.0
1980-81	5.5	167.8
1981-82	5.2	253.6
1982-83	5.1	311.8
1983-84	5.1	340.5
1984-85 (estimate)	5.1	357.9

Source: Ontario, Public Accounts, various years.
Ontario, Estimates, 1984-85.

Table 3

Interprovincial Comparisons of Operating Grants to Universities

Per FTE Student 1974-75 to 1984-85

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84e	1984-85e
British Columbia	$3,029 (4)	$3,577 (4)	$4,049 (4)	$4,521 (3)	$5,025 (3)	$5,337 (3)	$5,683 (4)	$6,435 (2)	$6,413 (2)	$5,983 (4)	$5,509 (5)
Alberta	3,345 (1)	4,053 (1)	4,358 (1)	4,797 (1)	5,340 (2)	5,815 (2)	6,760 (1)	7,388 (1)	7,877 (1)	7,912 (1)	7,771 (1)
Saskatchewan	2,977 (5)	3,410 (5)	3,767 (5)	4,108 (5)	4,616 (5)	5,098 (5)	5,304 (5)	5,614 (5)	6,144 (4)	6,112 (3)	6,061 (3)
Manitoba	2,595 (8)	3,016 (6)	3,453 (6)	3,874 (7)	4,124 (7)	4,771 (6)	4,499 (7)	5,062 (6)	5,362 (6)	5,548 (6)	5,448 (6)
Quebec	3,057 (3)	3,752 (3)	4,079 (3)	4,449 (4)	4,657 (4)	5,299 (4)	5,935 (2)	6,176 (3)	6,066 (5)	5,808 (5)	5,847 (4)
New Brunswick	2,704 (6)	3,003 (7)	3,445 (7)	3,905 (6)	4,364 (6)	4,762 (7)	4,929 (6)	4,998 (7)	5,270 (7)	5,206 (7)	5,241 (7)
Nova Scotia	2,431 (9)	2,836 (9)	3,233 (9)	3,497 (9)	3,819 (9)	4,074(10)	4,379 (9)	4,908 (8)	5,079 (8)	4,927(10)	4,798(10)
Prince Edward Island	2,414(10)	2,589(10)	2,974(10)	3,030(10)	3,544(10)	4,246 (8)	4,441 (8)	4,720 (9)	5,023 (9)	5,134 (8)	5,218 (8)
Newfoundland	3,079 (2)	3,809 (2)	4,157 (2)	4,625 (2)	5,485 (1)	5,994 (1)	5,684 (3)	5,847 (4)	6,241 (3)	7,050 (2)	6,446 (2)
9 Provinces	2,983 -	3,577 -	3,950 -	4,347 -	4,705 -	5,232 -	5,703 -	6,110 -	6,214 -	6,059 -	5,959 -
Ontario (Rank)	2,690 (7)	2,913 (8)	3,265 (8)	3,669 (8)	4,002 (8)	4,140 (9)	4,273(10)	4,475(10)	4,821(10)	4,999 (9)	5,127 (9)
Canada	$2,871 -	$3,322 -	$3,687 -	$4,097 -	$4,455 -	$4,840 -	$5,193 -	$5,527 -	$5,719 -	$5,689 -	$5,670 -

e = estimate

Source: Tripartite Committee on Interprovincial Comparisons, April 1985, for actual data. COU Research Division for estimates.

Table 4

Provincial Operating Grants for Universities

Per $1,000 of Provincial Personal Income

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84e	Rank 1983-84
British Columbia	$ 9.78	$ 10.68	$ 10.72	$ 10.70	$ 10.57	$ 9.91	$ 9.41	$ 9.39	$ 9.25	$ 8.81	(9)
Alberta	13.88	14.94	14.40	13.97	13.10	11.87	11.72	11.12	11.87	12.35	(5)
Saskatchewan	11.30	10.93	11.44	12.09	11.83	11.30	10.79	9.63	9.97	10.35	(8)
Manitoba	11.81	11.95	12.66	13.00	11.79	12.12	11.13	10.49	11.14	11.65	(6)
Quebec	12.25	13.58	13.11	13.87	14.12	14.44	14.87	13.98	13.11	12.67	(4)
New Brunswick	14.47	14.11	14.12	14.12	13.90	13.41	13.31	13.01	13.25	12.76	(3)
Nova Scotia	14.61	15.93	16.10	15.76	15.14	14.24	14.39	14.26	14.24	13.96	(1)
Prince Edward Island	11.96	11.22	11.75	12.76	11.68	12.22	11.38	11.23	11.49	10.93	(7)
Newfoundland	13.79	14.61	14.61	15.26	15.24	15.21	14.85	14.33	14.16	13.45	(2)
9 Provinces	12.12	13.05	12.89	13.22	13.03	12.77	12.70	12.07	11.89	11.72	-
Ontario	9.95	10.06	10.18	10.01	9.47	8.87	8.44	7.94	8.18	8.17	-
(Rank)	(9)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	-	(10)
Canada	11.24	11.86	11.82	11.96	11.64	11.25	11.06	10.49	10.47	10.34	-

e = estimate

Source: Tripartite Committee on Interprovincial Comparisons, April 1985, for actual data. COU Research Division for estimates.

Table 5

Interprovincial Comparisons of University Financing

Percentage Increases in Net Total Operating Grants, 1974-75 to 1984-85

	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84e	1984-85e	Total Increase 74-75 to 84-85	
											%	Rank
British Columbia	25.9%	15.2%	11.8%	11.1%	6.8%	10.6%	16.9%	7.3%	0.0%	-5.0%	153.4%	(9)
Alberta	31.2	10.7	10.8	8.7	8.5	17.3	17.3	19.8	8.7	4.9	256.7	(1)
Saskatchewan	21.1	13.5	8.7	9.4	7.3	7.0	13.9	11.4	7.0	5.0	167.5	(7)
Manitoba	19.0	15.9	12.0	0.5	12.0	0.7	14.6	17.9	10.3	3.0	168.8	(6)
Quebec	29.2	12.3	16.8	13.1	14.0	17.3	9.7	2.1	1.5	4.0	203.0	(2)
New Brunswick	18.3	11.7	9.7	9.5	8.4	8.5	10.7	13.2	5.4	6.3	162.1	(8)
Nova Scotia	25.8	13.9	9.0	8.0	5.0	11.8	13.2	11.4	6.0	5.4	179.0	(4)
Prince Edward Island	15.6	14.7	19.0	8.2	14.4	7.7	8.9	15.4	7.8	5.8	201.5	(3)
Newfoundland	25.8	13.8	15.3	7.7	11.7	7.2	13.2	9.8	2.5	0.4	172.3	(5)
9 Provinces	26.9	12.9	13.5	10.4	10.8	13.7	12.7	8.1	3.7	2.9	194.0	-
Ontario	15.7	14.6	8.5	5.1	4.4	7.0	9.9	13.8	7.5	6.5	141.8	
(Rank)	(9)	(4)	(10)	(9)	(10)	(9)	(8)	(4)	(4)	(1)		(10)
Canada	22.9	13.5	11.8	8.7	8.7	11.7	11.9	9.7	4.9	4.0	175.6	

e = estimate.

Source: Tripartite Committee on Interprovincial Comparisons, April 1985, and funding announcements, various jurisdictions.

Table 6

Percentage of Universities' General Operating and Total Income, 1983-84

	General Operating Income				Total Income			
	Provincial Government Grants		Fees Credit Courses		Provincial Government Grants		Total Fees	
	%	Rank	%	Rank	%	Rank	%	Rank
British Columbia	84.5	(4)	11.8	(7)	65.3	(5)	9.1	(8)
Alberta	85.1	(3)	9.7	(9)	71.3	(2)	7.5	(9)
Saskatchewan	82.7	(6)	13.5	(5)	63.5	(7)	9.9	(5)
Manitoba	83.5	(5)	12.4	(6)	64.7	(6)	9.3	(6)
Quebec	87.5	(1)	7.9	(10)	71.0	(3)	7.1	(10)
New Brunswick	76.6	(8)	17.7	(3)	60.3	(8)	13.8	(3)
Prince Edward Island	80.3	(7)	18.5	(1)	65.5	(4)	15.2	(1)
Nova Scotia	75.0	(10)	17.6	(4)	54.8	(10)	13.8	(4)
Newfoundland	85.9	(2)	10.2	(8)	73.0	(1)	9.3	(7)
9 Provinces	84.5	-	10.8	-	67.6	-	8.7	-
Ontario	76.3	(9)	18.2	(2)	58.4	(9)	13.9	(2)
Canada	81.4%		13.6%		64.0%		10.7%	

Source: Canadian Association of University Business Officers, Financial Statistics of Universities and Colleges 1983-84

Figure 2
INDEX OF EXPENDITURES PER CLIENT SERVED IN ONTARIO
1973–74 to 1983–84
(In Constant Dollars)

Figure 6
ONTARIO GOVERNMENT AND UNIVERSITIES'
SALARIES AND BENEFITS
1973–74 to 1983–84

Table 17

Cost of Salaries and Wages to the Ontario Government and Universities

	Total Cost of Salaries ($ millions)		Percentage Increase in Cost		Index of Cost (1973-74 = 100)		Constant Dollar Index (1973-74 = 100)		Total Cost of Salaries Constant Dollar Value (1973-74 dollars $ millions)	
	Government	Universities	Government	Universities	Government	Universities	Government	Universities	Government	Universities
1973-74	$ 804	$378	-	-	100.0	100.0	100.0	100.0	$804	$378
1974-75	940	427	16.9%	13.0%	116.9	113.0	104.8	101.3	843	383
1975-76	1,087	490	15.7	14.8	135.2	129.8	110.3	105.8	887	400
1976-77	1,241	545	14.2	11.2	154.3	144.3	117.9	110.3	948	417
1977-78	1,294	586	4.3	7.5	160.9	155.1	113.2	109.1	910	412
1978-79	1,347	614	4.1	4.8	167.5	162.6	107.9	104.7	868	396
1979-80	1,478	642	9.7	4.5	183.7	169.8	108.4	100.2	872	379
1980-81	1,645	695	11.4	8.3	204.6	183.9	108.7	97.7	874	369
1981-82	1,833	779	11.4	12.2	227.9	206.3	107.9	97.7	868	369
1982-83	2,062	880	12.5	12.9	256.4	232.9	111.0	100.9	893	381
1983-84	2,160	951	4.7	8.0	268.6	251.7	110.7	103.7	890	392

Source: Public Accounts of Ontario, various years.
Financial Report of Ontario Universities, various years, excluding Algoma, OCA, OISE, Ryerson and affiliated colleges in years in which they reported to COFO-OU.

Table 7

Expenditures per Client Served, 1973-74 to 1983-84

		1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
Elementary & Secondary Education (total school costs per pupil)1	Actual	$ 1,137	$ 1,341	$ 1,536	$ 1,807	$ 2,083	$ 2,240	$ 2,468	$ 2,735	$ 3,149	$ 3,504	$ 3,806.p.
	Constant	1,137	1,203	1,253	1,380	1,465	1,444	1,457	1,452	1,491	1,518	1,569
	Index	100.0	105.8	110.2	121.4	128.8	127.0	128.1	127.7	131.1	133.5	138.0
Hospitals (gross operating costs per diem)2	Actual	$ 82.30	$ 98.35	$120.48	$138.55	$151.91	$165.06	$177.19	$199.15	$230.06	$264.67	$289.52
	Constant	82.30	88.29	98.35	105.76	106.83	106.35	104.60	105.76	108.94	114.63	119.34
	Index	100.0	107.3	119.5	128.5	129.8	129.2	127.1	128.5	132.4	139.3	145.0
CAATs (operating cost per FTE student)3	Actual	$ 2,494	$ 2,731	$ 3,001	$ 3,380	$ 3,667	$ 3,796	$ 4,023	$ 4,035	$ 4,390	$ 4,640	$ 4,758.p.
	Constant	2,494	2,452	2,448	2,580	2,579	2,446	2,375	2,143	2,079	2,010	1,961
	Index	100.0	98.3	98.2	103.5	103.4	98.1	95.2	85.9	83.4	80.6	78.6
Adult Offenders (expenditure per inmate day)4	Actual	$ 27.86	$ 33.30	$ 34.05	$ 41.48	$ 47.50	$ 50.97	$ 55.09	$ 60.32	$ 61.22	$ 66.80	$ 73.16
	Constant	27.86	29.89	27.80	31.66	33.40	32.84	32.52	32.03	28.99	28.92	30.16
	Index	100.0	107.3	99.8	113.6	119.9	117.9	116.7	115.0	104.1	103.8	108.2
Universities (operating cost per FTE student)5	Actual	$ 3,385	$ 3,633	$ 3,913	$ 4,272	$ 4,723	$ 5,030	$ 5,277	$ 5,534	$ 5,930	$ 6,354	$ 6,697
	Constant	3,385	3,261	3,192	3,261	3,321	3,241	3,115	2,939	2,808	2,751	2,761
	Index	100.0	96.3	94.3	96.3	98.1	95.7	92.0	86.8	82.9	81.3	81.6

p = preliminary

Sources:
1. Ministry of Education.
2. Ministry of Health, Hospital Statistics, various years.
3. Ministry of Colleges and Universities, Multi-Year Plan Analysis of the Colleges of Applied Arts and Technology, various years.
4. Ministry of Correctional Services.
5. Ministry of Colleges and Universities, MCU Financial Report, various years; COU Special Committee on Macro-Indicators Ontario Universities Statistical Compendium, various years; and Committee of Finance Officers - Universities of Ontario, Financial Report of Ontario Universities, various years.

Table 8

Interprovincial Comparisons of Total Operating Expenses

Per Client

	Hospitals Total Operating Expense Per Patient Day (Public General and Allied Hospitals, 1983-84)		Schools School Board Expenditures Per Student, 1982		Universities Total Operating Expenditures Per Student 1982-83	
	$	RANK	$	RANK	$	RANK
British Columbia	245.94	(7)	3,502	(2)	7,457	(4)
Alberta	288.93	(4)	3,300	(3)	9,692	(1)
Saskatchewan	244.36	(8)	3,075	(6)	8,735	(2)
Manitoba	311.19	(3)	3,084	(5)	6,305	(8)
Ontario	287.20	(5)	3,233	(4)	6,283	(9)
Quebec	229.18	(9)	4,357	(1)	7,070	(5)
New Brunswick	274.25	(6)	2,487	(8)	6,324	(7)
P.E.I.	222.81	(10)	2,440	(9)	5,734	(10)
Nova Scotia	326.73	(2)	2,671	(7)	6,920	(6)
Newfoundland	371.05	(1)	2,435	(10)	7,484	(3)

SOURCE: Statistics Canada, Hospital Statistics - Preliminary.
Statistics Canada, Financial Statistics of Education.
Tripartite Committee on Interprovincial Comparisons, April 1985.

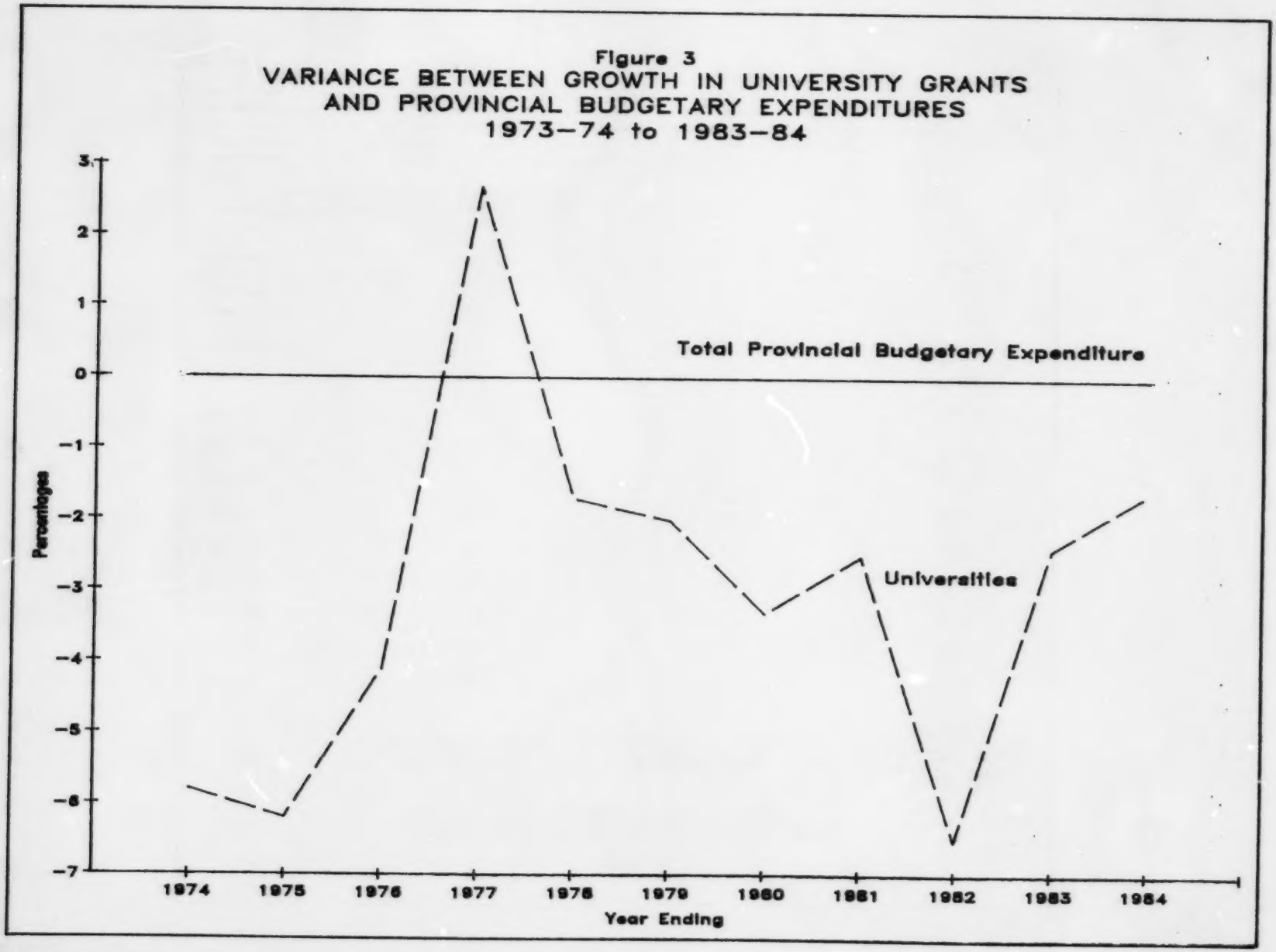
Figure 3
VARIANCE BETWEEN GROWTH IN UNIVERSITY GRANTS
AND PROVINCIAL BUDGETARY EXPENDITURES
1973–74 to 1983–84
Total Provincial Budgetary Expenditure
Universities
Percentages
3
2
1
0
-1
-2
-3
-4
-5
-6
-7
1974
1975
1976
1977
1978
1979
1980
1981
1982
1983
1984
Year Ending

Table 9

Percentage Increase in Provincial Operating Grants and Total Budgetary Expenditures

	Operating Grants to Ontario Universities	*Total Provincial Budgetary Expenditures	Universities Difference from Provincial Annual Increase
1973-74	6.9	12.7	(5.8)
1974-75	14.6	20.8	(6.2)
1975-76	16.4	20.5	(4.1)
1976-77	14.8	12.1	2.7
1977-78	8.4	10.1	(1.7)
1978-79	5.8	7.8	(2.0)
1979-80	5.1	8.4	(3.3)
1980-81	7.2	9.7	(2.5)
1981-82	10.2	16.7	(6.5)
1982-83	12.1	14.5	(2.4)
1983-84	7.5	9.1	(1.6)
1984-85 (estimate)	6.4	7.8*	(1.4)*
Average	9.6	12.5	(2.9)

Source: Province of Ontario, Public Accounts, various years.
Province of Ontario, Estimates, 1984-85.

*Estimates of total provincial budgetary expenditure increases have been consistently understated; e.g. estimates for 1983-84 forecast an 8.4% increase, actual expenditures increased 9.1%. This has resulted in consistently underestimating the differences between increases in grants to universities, which do not change during the fiscal year, and increases in total provincial budgetary expenditures.

Table 10

Estimated Tax Capacity, Tax Revenue and Tax Effort

1984-85

	Estimated Tax Capacity Per Capita	Estimated Tax Revenue Per Capita	Estimated Tax Effort Per Capita	Estimated Tax Effort Adjusted for Surplus/Deficit
British Columbia	105.2	94.7	90.0	88.9
Alberta	199.9	175.9	88.0	79.5
Saskatchewan	109.7	109.2	99.6	102.6
Manitoba	81.9	81.2	99.1	112.9
Ontario	94.9	83.8	88.3	90.5
Quebec	80.3	110.0	136.9	135.5
New Brunswick	71.2	68.7	96.6	103.7
Prince Edward Island	64.6	68.2	105.6	91.8
Nova Scotia	75.8	68.6	90.4	102.0
Newfoundland	65.3	66.2	101.3	104.8
10 Provinces	100.0	100.0	100.0	100.0

Note: The indices shown exclude all federal transfers and local property taxes but include provincial revenues from natural resources and an estimate of miscellaneous revenues not normally included in federal calculations in regard to equalization payments.

Sources: Canada Department of Finance, Federal-Provincial Relations Division.
Statistics Canada.

Table 11

Estimated Gross General Provincial Government Revenue Per Capita and as a Percetage of Gross Domestic Product and Provincial Personal Income

1983-84

	Gross Domestic Product ($000,000's)	Gross General Revenue %	(Rank)	Provincial Personal Income ($000,000's)	Gross General Revenue %	(Rank)	Gross General Revenue Per Capita $	Index (Canada = 100.0)	(Rank)
British Columbia	47,238	18.0	(9)	40,523	21.0	(9)	$3,018	89.4	(8)
Alberta	56,539	22.3	(6)	34,490	36.5	(2)	5,355	158.6	(1)
Saskatchewan	16,281	19.8	(8)	12,585	25.6	(7)	3,242	96.0	(5)
Manitoba	15,048	21.3	(7)	13,183	24.3	(8)	3,064	90.8	(7)
Quebec	90,432	27.8	(4)	81,641	30.8	(5)	3,861	114.4	(2)
New Brunswick	7,348	30.3	(3)	7,098	31.4	(4)	3,151	93.3	(6)
Nova Scotia	9,428	27.3	(5)	9,354	27.5	(6)	2,998	88.8	(9)
Prince Edward Island	1,198	37.7	(1)	1,247	36.2	(3)	3,645	108.0	(3)
Newfoundland	5,444	35.5	(2)	5,287	36.6	(1)	3,348	99.2	(4)
9 Provinces Outside Ontario	248,956	24.1%	-	205,408	29.2%	-	3,743	110.9	-
Ontario	151,650	15.7	(10)	130,333	18.3	(10)	2,709	80.2	(10)
Canada	400,606	20.9%	-	335,741	25.0%	-	3,376	100.0	-

Source: Statistics Canada.

Table 12

Capital Expenditures, Liquid Reserves and Borrowings

Province of Ontario, 1972-73 to 1984-85

($000,000's)

Year	Net Borrowings (1)	Net Cash Requirements (2)	Increase (Decrease) in Liquid Reserves (1) - (2) = (3)	Capital Expenditures (4)	Operating Funds Surplus (Deficit) (4) - (2) = (5) (3+4) - (1) = (5)
1972-73	$1,028	$ 744	$ 284	$ 1,103	$ 359
1973-74	710	708	2	1,226	518
1974-75	851	977	(126)	1,399	422
1975-76	1,974	1,799	175	1,627	(172)
1976-77	1,092	1,319	(227)	1,480	161
1977-78	1,506	1,762	(256)	1,536	(226)
1978-79	1,652	1,180	472	1,361	181
1979-80	1,132	584	548	1,561	977
1980-81	968	803	165	1,709	906
1981-82	1,363	1,503	(140)	2,311	808
1982-83	2,051	2,478	(427)	2,306	(172)
1983-84	2,860	2,289	571	2,273	(16)
1984-85 (estimate)	2,073	2,039	34	2,377	338

Notes:
(1) Proceeds of Loans minus Retirement of Loans
(2) Expenditures minus Revenues plus or minus net Non-Budgetary Transactions
(3) Cash, temporary investments and marketable securities. The balance at the end of 1984-85 is expected to reach $1.77 billion.
(4) Physical assets, buildings and land make up the bulk of this amount
(5) Capital expenditures minus net cash requirements equals thhe surplus or deficit on current, operating expenditures. It is composed of the increase or decrease in liquid reserves plus capital investments and minus net borrowings.

The above Table separates funds raised for operating purposes and funds raised for capital purposes. As shown in column 5, in nine of the previous thirteen years, all operating fund requirements were met by taxation, federal transfers, or other revenue sources (i.e. no borrowed funds were involved). Net borrowings averaged $1.5 billion per year, but in most years were used to increase liquid reserves and to finance capital expenditures. Other capital expenditures were financed out of operating funds.

Source: 1984 Ontario Budget.
Public Accounts, various years.

Table 13

Estimated Federal Government EPF Transfers

(Cash and Tax Points) to Ontario for University

Financial Support, 1977-78 to 1985-86

(Excluding Revenue Guarantees)

	Total Post Secondary			Universities					
				Federal Contribution*			Federal Share		
	Cash ($ millions)	Tax ($ millions)	Total ($ millions)	Cash* ($ millions)	Tax* ($ millions)	Operating Grants ($ millions)	Cash %	Tax %	Total Federal Share %
1977-78	391.3	324.3	715.6	282.9	234.5	703.6	40.2	33.3	73.5
1978-79	457.4	362.9	820.3	330.7	262.4	744.2	44.4	35.3	79.7
1979-80	518.4	410.6	929.0	374.8	296.9	781.9	47.9	38.0	85.9
1980-81	565.6	471.5	1,037.1	408.9	340.9	838.1	48.8	40.7	89.5
1981-82	623.9	535.5	1,159.4	451.1	387.1	923.5	48.8	41.9	90.8
1982-83e	698.4	614.1	1,312.5	504.9	444.0	1,035.7	48.7	42.9	91.6
1983-84e	758.6	648.6	1,407.2	548.5	468.9	1,112.8	49.3	42.1	91.4
1984-85e	796.4	704.3	1,500.7	575.8	509.2	1,185.1	48.6	43.0	91.6
1985-86e	882.7	730.1	1,612.8	638.2	527.9	1,244.0	51.3	42.4	93.7

* Universities' share equals 72.3% of total post-secondary in Ontario.

e = estimated data.

Source: Canada, Department of Finance, Federal-Provincial Relations Division.
Ontario, Public Accounts, various years.

Figure 4
CANADIAN UNEMPLOYMENT RATES
ESTIMATES BY EDUCATIONAL ATTAINMENT
1976 to 1984

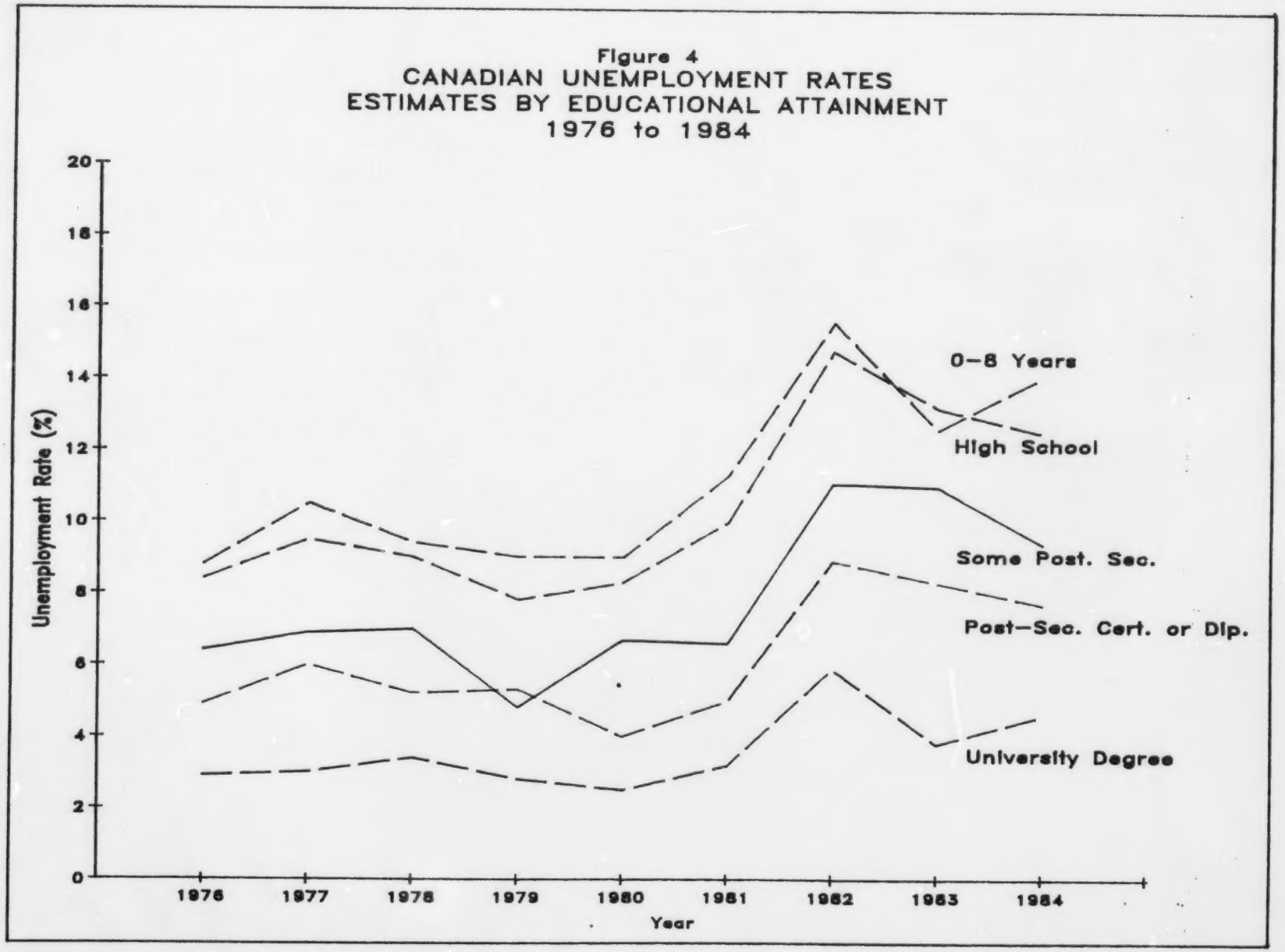

Table 14

Canadian Unemployment and Participation Rates

by Educational Attainment

(Seasonally Unadjusted)

Unemployment Rates*

	1976	1977	1978	1979	1980	1981	1982	1983	1984	Participation** Rates 1984
Total Canadian Labour Force	7.4%	8.3%	7.9%	7.0%	7.1%	8.5%	12.7%	11.1%	10.7%	63.8%
0-8 Years	8.8	10.5	9.4	9.0	9.0	11.3	15.6	12.6	14.1	39.4
High School	8.4	9.5	9.0	7.8	8.3	10.0	14.8	13.2	12.5	65.2
Some Post-Secondary	6.4	6.9	7.0	4.8	6.7	6.6	11.1	11.0	9.4	68.7
Post-Secondary Certificate or Diploma	4.9	6.0	5.2	5.3	4.0	5.0	8.9	8.3	7.7	77.9
University Degree	2.9	3.0	3.4	2.8	2.5	3.2	5.9	3.8	4.6	84.1

Source: Estimates by Educational Attainment. The Labour Force Monthly Report. Statistics Canada.

* As of December of each year.

** Labour Force percentage of population 15 years and over.

Table 15

Projected Annual Percentage Increases in the Consumer Price Index

	1984	1985	1986	1987	1988	1989
Economic Council of Canada1	4.9	4.8	4.6	3.6	3.3	3.6
Department of Finance2	4.5	4.1	3.8	3.8	3.8	3.8
Conference Board of Canada3	4.4	3.9	3.6	3.2	4.3	4.4

	1984-85	1985-86	1986-87	1987-88	1988-89
Average of Projections Adjusted to University Fiscal Year (May 1 - April 30)	4.5	4.2	3.8	3.6	3.8

1. Economic Council of Canada, Steering the Course, (Base Case Projection), 1984.

2. Canada Department of Finance, A New Direction for Canada, November 8, 1984.

3. Conference Board of Canada, October 18, 1984.

Figure 5

ONTARIO GOVERNMENT AND UNIVERSITIES'
CONTRIBUTORY BENEFITS AS A PERCENTAGE OF SALARIES
1973-74 to 1983-84

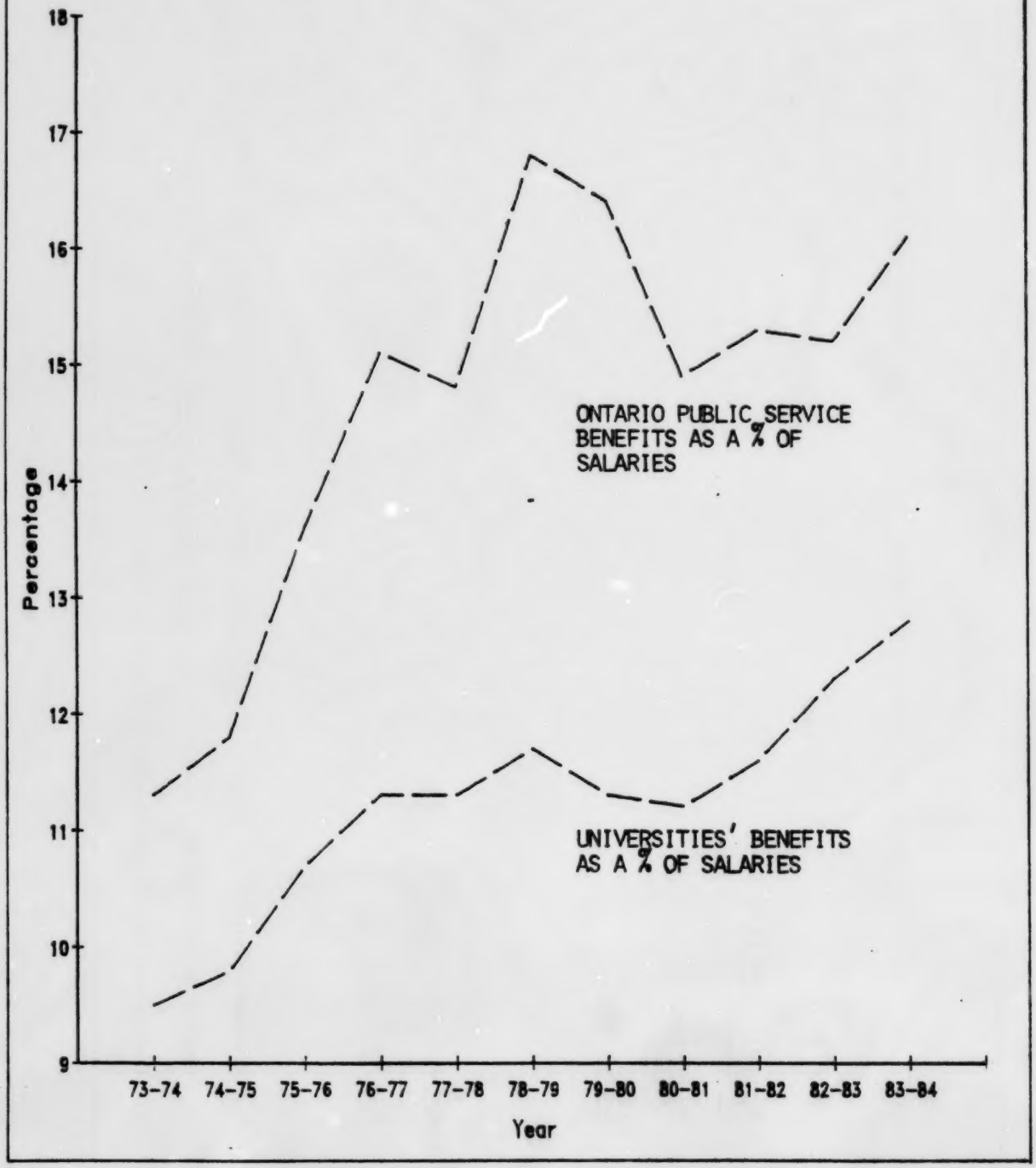

Table 16

Benefit Costs Relative to Salaries
in Ontario Government and Universities

	Ontario Civil Service Benefits As % of Salaries	Ontario Universities Benefits as % of Salaries*
1973-74	11.3%	9.5%
1974-75	11.8	9.8
1975-76	13.6	10.7
1976-77	15.1	11.3
1977-78	14.8	11.3
1978-79	16.8	11.7
1979-80	16.4	11.3
1980-81	14.9	11.2
1981-82	15.3	11.6
1982-83	15.2	12.3
1983-84	16.1	12.8

* Excludes Algoma, OCA, OISE, Ryerson

Table 18

Cost of Employee Benefits to the Ontario Government and Universities

	Total Cost of Benefits ($ millions)		Percentage Increase in Cost		Index of Cost (1973-74 = 100)		Constant Dollar Index (1973-74 = 100)		Total Cost of Benefits Constant Dollar Value (1973-74 dollars $ millions)	
	Government	Universities	Government	Universities	Government	Universities	Government	Universities	Government	Universities
1973-74	$ 91	$ 36	-	-	100.0	100.0	100.0	100.0	$ 91	$36
1974-75	111	42	22.4%	17.2%	122.4	117.2	109.8	105.1	100	38
1975-76	148	53	33.5	25.3	163.5	146.9	133.3	119.8	121	43
1976-77	188	61	26.6	17.0	207.0	171.8	158.2	131.2	143	47
1977-78	192	66	2.3	7.8	211.8	185.2	149.0	130.2	135	47
1978-79	227	72	18.1	8.4	250.1	200.8	161.1	129.4	146	46
1979-80	242	73	6.6	1.0	266.5	202.8	157.3	119.7	143	43
1980-81	245	78	1.2	7.0	269.8	217.1	143.3	115.3	130	41
1981-82	280	91	14.6	16.6	309.1	253.0	146.4	119.9	133	43
1982-83	313	108	11.7	19.3	345.2	301.8	149.5	130.7	136	47
1983-84	348	121	11.3	12.1	384.3	338.9	158.4	139.7	144	50

Source: Public Accounts of Ontario, various years.
Financial Report of Ontario Universities, various years, excluding Algoma, OCA, OISE, Ryerson and affiliated colleges in years in which they reported to COFO-UO.

Table 19

Comparison of Benefit Costs

1982-83, 1983-84, and 1984-85

	1982-83 ($000's)	1983-84 ($000's)	Increase 1982-83 to 1983-84 ($000's)	Increase 1982-83 to 1983-84 %	1984-85 ($000's)	Projected Increase 1983-84 to 1984-85 ($000's)	Projected Increase 1983-84 to 1984-85 %
Statutory Benefits							
O.H.I.P.	8,811	9,167	356	4.0	9,780	613	6.7
Canada Pension	9,652	10,362	710	7.4	11,380	1,018	9.8
Worker's Compensation	1,729	1,893	164	9.5	2,293	400	21.1
Unemployment Insurance	14,542	19,519	4,977	34.2	21,249	1,730	8.9
Total Statutory Benefits	34,734	40,941	6,207	17.9	44,702	3,761	9.2
Non-Statutory Benefits							
Pension							
- Current Service	58,944	63,990	5,046	8.6	67,743	3,753	5.9
- Experience Deficiency	422	322	-100	-23.7	629	307	95.3
- Past Service Liability	531	700	169	31.8	700	0	0.0
Group Life Insurance	4,669	5,066	397	8.5	5,230	164	3.2
Long Term Disability	4,011	4,676	665	16.6	4,722	46	1.0
Dental Insurance	5,409	5,901	492	9.1	6,689	788	13.4
Extended Health Care	2,860	3,585	725	25.3	4,112	527	14.7
Tuition Remission	2,931	3,379	448	15.3	4,047	668	19.8
Other	1,016	772	-244	-24.0	1,050	278	36.0
Total Non-Statutory Benefits	80,793	88,191	7,598	9.4	94,922	6,531	7.4
Total Benefits	115,527	129,132	13,805	11.9	139,624	10,292	8.0

Table 20

Comparison of Benefit Costs

1974-75 to 1984-85

($000's)

(excluding OCA, Algoma, Nipissing, Hearst)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85e
Statutory Benefits											
O.H.I.P.	3,742	3,951	5,653	5,821	6,653	6,460	6,155	7,040	8,729	9,084	9,694
Canada Pension	4,038	4,848	5,367	5,906	6,293	6,725	7,390	8,248	9,535	10,231	11,221
Worker's Compensation	498	739	932	948	923	984	1,028	1,377	1,721	1,883	2,282
Unemployment Insurance	4,238	5,952	7,046	7,250	7,206	6,557	8,421	11,370	14,360	19,321	21,032
Total Statutory Benefits	12,516	15,489	18,998	19,925	21,076	20,727	22,994	28,036	34,345	40,519	44,229
Non-Statutory Benefits											
Pension											
- Current Service	23,509	28,246	32,307	36,003	38,928	41,505	44,202	50,458	58,558	63,516	67,252
- Experience Deficiency	710	2,750	2,383	1,513	1,811	494	183	389	422	322	629
- Past Service Liability	937	2,276	2,339	3,466	3,547	2,428	867	147	531	700	700
Group Life Insurance	2,463	2,677	3,226	3,837	3,778	3,925	3,949	3,898	4,571	4,951	5,109
Long Term Disability	1,045	1,249	1,562	1,805	2,045	2,196	3,036	3,239	3,967	4,630	4,677
Dental Insurance	184	406	866	1,222	2,115	2,293	2,974	4,340	5,382	5,874	6,662
Extended Health Care	398	469	963	1,079	1,027	1,069	1,660	2,075	2,847	3,571	4,099
Tuition Remission	460	365	416	479	959	1,692	1,903	2,631	2,930	3,374	4,041
Other	445	487	706	485	473	617	655	972	1,005	743	1,035
Total Non-Statutory Benefits	30,149	38,925	44,769	49,890	54,684	56,219	59,430	68,149	80,213	87,681	94,204
Total Benefits	42,665	54,414	63,767	69,815	75,760	76,946	82,424	96,185	114,558	128,200	138,433

Table 21

Percentage Distribution of Total Benefit Costs

1974-75 to 1984-85

(excluding OCA, Algoma, Nipissing, Hearst)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85e
Statutory Benefits											
O.H.I.P.	8.77	7.26	8.87	8.34	8.78	8.40	7.47	7.32	7.62	7.09	7.00
Canada Pension	9.46	8.91	8.42	8.46	8.31	8.74	8.97	8.58	8.32	7.98	8.11
Worker's Compensation	1.17	1.36	1.46	1.36	1.22	1.28	1.25	1.43	1.50	1.47	1.65
Unemployment Insurance	9.93	10.94	11.05	10.38	9.51	8.52	10.22	11.82	12.54	15.07	15.19
Total Statutory Benefits	29.34	28.47	29.79	28.54	27.82	26.94	27.90	29.15	29.98	31.61	31.95
Non-Statutory Benefits											
Pension											
- Current Service	55.10	51.91	50.66	51.57	51.38	53.94	53.63	52.46	51.12	49.54	48.58
- Experience Deficiency	1.66	5.05	3.74	2.17	2.39	0.64	0.22	0.40	0.37	0.25	0.45
- Past Service Liability	2.20	4.18	3.67	4.96	4.68	3.16	1.05	0.15	0.46	0.55	0.51
Group Life Insurance	5.77	4.92	5.06	5.50	4.99	5.10	4.79	4.05	3.99	3.86	3.69
Long Term Disability	2.45	2.30	2.45	2.59	2.70	2.85	3.68	3.37	3.46	3.61	3.38
Dental Insurance	0.43	0.75	1.36	1.75	2.79	2.98	3.61	4.51	4.70	4.58	4.81
Extended Health Care	0.93	0.86	1.51	1.55	1.36	1.39	2.01	2.16	2.49	2.79	2.96
Tuition Remission	1.08	0.67	0.65	0.69	1.27	2.20	2.31	2.74	2.56	2.63	2.92
Other	1.04	0.89	1.11	0.69	0.62	0.80	0.80	1.01	0.88	0.58	0.75
Total Non-Statutory Benefits	70.66	71.53	70.21	71.46	72.18	73.06	72.10	70.85	70.02	68.39	68.05
Total Benefits	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 22

Comparison of Benefit Costs

1974-75 to 1984-85

($000 Constant Dollars)

(excluding OCA, Algoma, Nipissing, Hearst)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85e
Statutory Benefits											
O.H.I.P.	3,742	3,592	4,812	4,563	4,780	4,250	3,641	3,716	4,211	4,170	4,258
Canada Pension	4,038	4,407	4,568	4,629	4,521	4,424	4,372	4,353	4,600	4,696	4,929
Worker's Compensation	498	672	793	743	663	648	608	727	830	864	1,002
Unemployment Insurance	4,238	5,411	5,998	5,683	5,177	4,314	4,982	6,001	6,928	8,869	9,238
Total Statutory Benefits	12,516	14,081	16,171	15,617	15,142	13,636	13,604	14,796	16,569	18,599	19,428
Non-Statutory Benefits											
Pension											
- Current Service	23,509	25,678	27,500	28,219	27,967	27,306	26,152	26,631	28,250	29,155	29,540
- Experience Deficiency	710	2,500	2,028	1,186	1,301	325	108	205	204	148	276
- Past Service Liability	937	2,069	1,991	2,717	2,548	1,597	513	78	256	321	307
Group Life Insurance	2,463	2,434	2,746	3,007	2,714	2,582	2,336	2,057	2,205	2,273	2,244
Long Term Disability	1,045	1,135	1,330	1,415	1,469	1,445	1,796	1,709	1,914	2,125	2,054
Dental Insurance	184	369	737	958	1,519	1,509	1,760	2,291	2,596	2,696	2,926
Extended Health Care	398	426	820	846	738	703	982	1,095	1,373	1,639	1,800
Tuition Remission	460	332	354	375	689	1,113	1,126	1,389	1,414	1,549	1,775
Other	445	443	601	380	340	406	388	513	485	341	455
Total Non-Statutory Benefits	30,149	35,386	38,108	39,104	39,286	36,987	35,161	35,968	38,697	40,247	41,379
Total Benefits	42,665	49,467	54,279	54,721	54,428	50,623	48,765	50,764	55,266	58,846	60,807

Figure 7
ANNUAL PERCENTAGE CHANGES IN THE
OUNSPI AND CPI
1971–72 to 1983–84

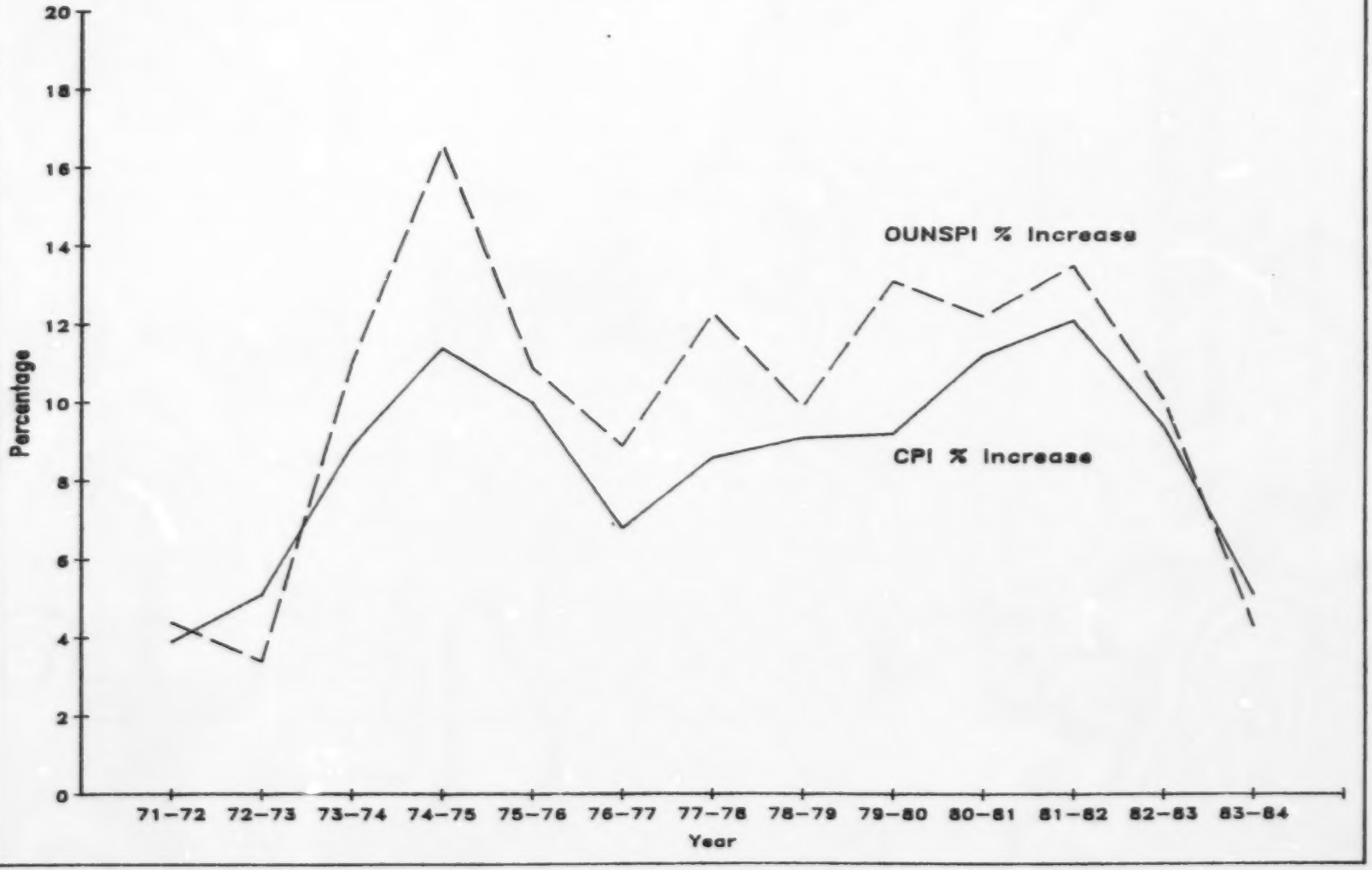

Table 23

Ontario University Non Salary Price Index

(1984 revision: 1980-81 = 100)

Year	OUNSPI	CPI	OUNSPI Annual % Increase	CPI Annual % Increase
Actual				
1970-71	37.8	44.7	-	-
1971-72	39.5	46.4	4.4	3.9
1972-73	40.8	48.8	3.4	5.1
1973-74	45.4	53.1	11.1	8.9
1974-75	52.9	59.2	16.6	11.4
1975-76	58.6	65.1	10.9	10.0
1976-77	63.9	69.5	8.9	6.8
1977-78	71.8	75.5	12.3	8.6
1978-79	78.8	82.4	9.9	9.1
1979-80	89.1	90.0	13.1	9.2
1980-81	100.0	100.0	12.2	11.2
1981-82	113.5	112.1	13.5	12.1
1982-83	125.0	122.6	10.1	9.4
1983-84	130.4	128.9	4.3	5.1
Estimated				
1984-85	137.2	134.7	5.2	4.5
1985-86	143.8	140.4	4.8	4.2
1986-87	150.1	145.7	4.4	3.8
1987-88	155.5	150.9	4.1	3.6
1988-89	161.4	156.7	4.4	3.8

Figure 8
INDEX OF UNIVERSITY EXPENDITURES
ON LIBRARY ACQUISITIONS
1970–71 to 1983–84

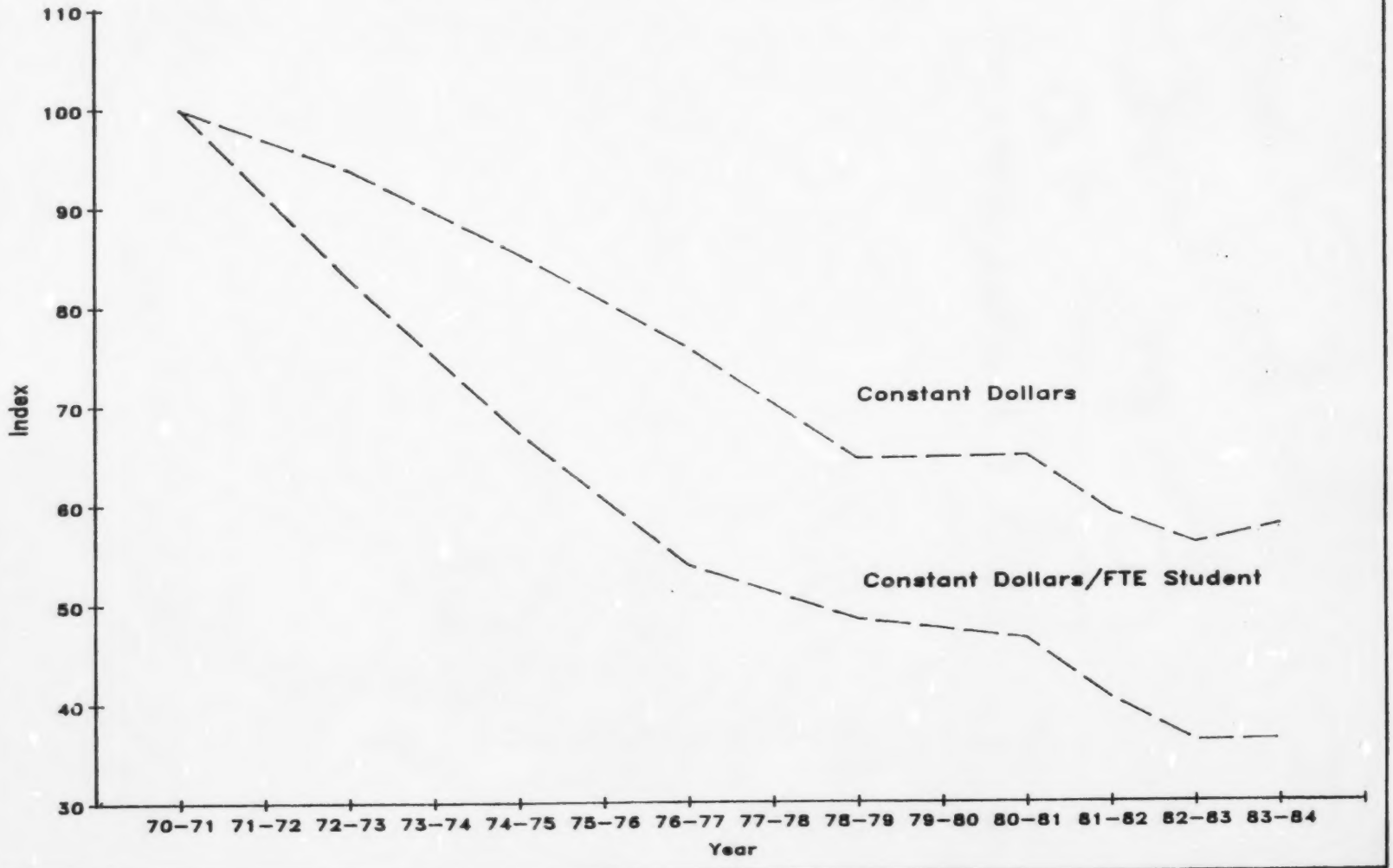

Table 24

Index of Expenditure on Library Acquisitions

	Acquisitions as % of Total Operating Expenses	Constant Dollars	Constant Dollars per FTE	Cost Index
1970-71	2.9	100.0	100.0	100.0
1972-73	2.5	93.8	82.8	112.5
1974-75	2.3	85.3	67.2	134.2
1976-77	2.0	75.9	53.9	169.7
1978-79	2.1	64.6	48.4	234.0
1980-81	2.3	64.9	46.4	300.1
1981-82	2.2	59.2	40.4	348.6
1982-83	2.1	56.0	36.0	409.5
1983-84	2.2	57.9	36.2	444.7

Source: COFO-UO Financial Report of Ontario Universities, various years.
Bowker (U.S.) Hardcover Book and Periodical.
Price Indices converted for Canadian dollar fluctuations.

Figure 9
TOTAL EQUIPMENT PURCHASES
BY FUND
1972–73 to 1983–84

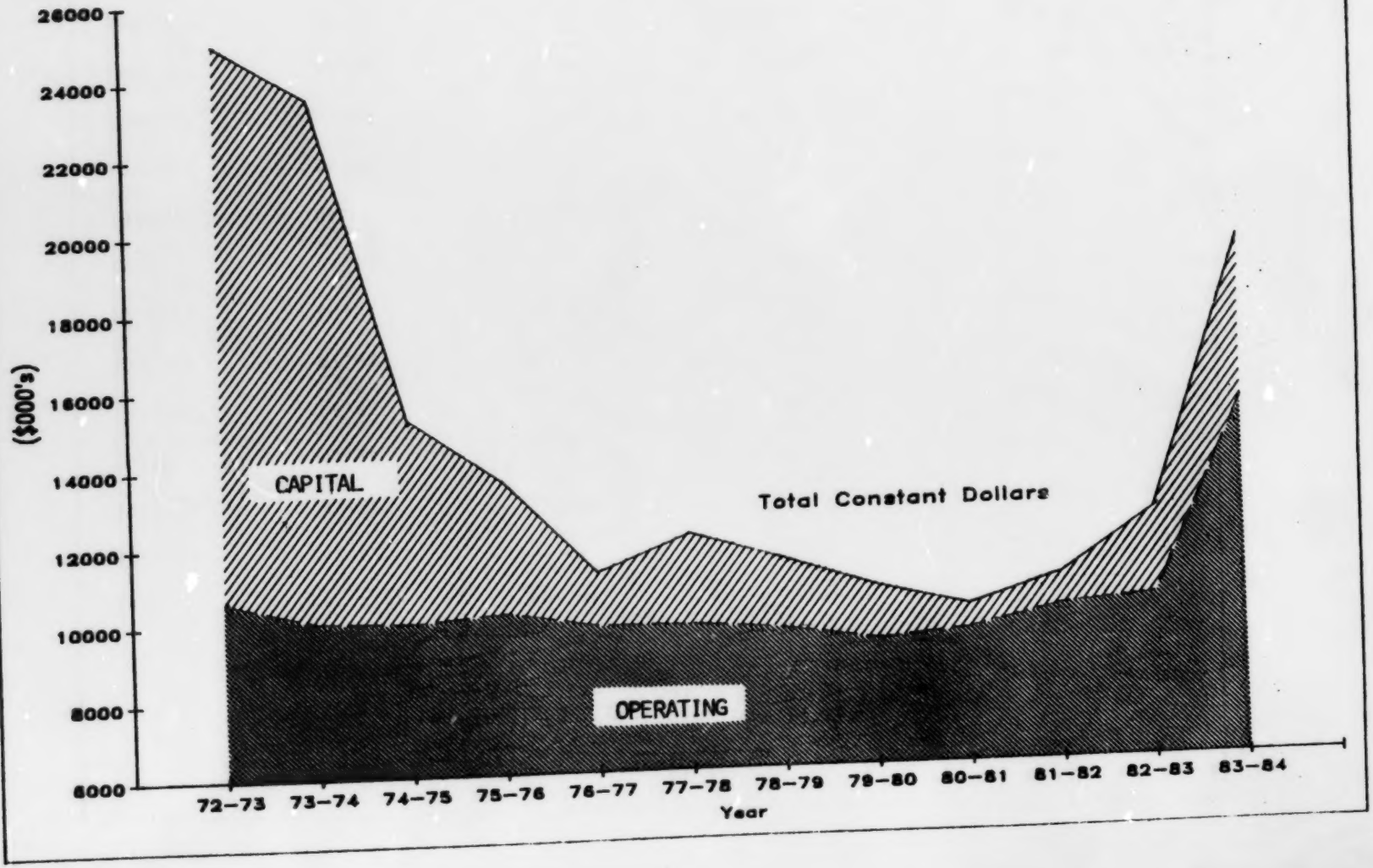

Table 25

Total Equipment Purchases By Fund
($000's)

Year	Operating	Capital	Total Purchases*	Total Constant Dollars*
1972-73	42.4%	57.8%	$ 24,959	$ 24,959
1973-74	42.5%	57.5%	24,846	23,528
1974-75	65.4%	34.6%	18,468	15,213
1975-76	74.8%	25.2%	18,287	13,566
1976-77	87.6%	12.4%	15,644	11,142
1977-78	80.6%	19.4%	19,088	12,089
1978-79	84.1%	15.9%	20,085	11,373
1979-80	86.9%	13.1%	20,689	10,593
1980-81	94.0%	6.0%	22,163	10,024
1981-82	92.4%	7.6%	26,349	10,794
1982-83	82.2%	17.8%	32,045	12,392
1983-84	78.8%	21.2%	52,004	19,617

Source: COFO-UO, Financial Report of Ontario Universities, various years. A relatively small share of these purchases were for furniture and furnishings.

*Excludes Ryerson, OISE, OCA, Algoma, and Wilfrid Laurier.

APPENDICES

Appendix 1

Report of the Committee on Enrolment Statistics and Projections

Summary of Situation in 1984-85

The Committee on Enrolment Statistics and Projections considered a number of factors in preparing its 1984-85 enrolment projections for last year's operating grants brief to OCUA. Continuing high levels of unemployment, particularly among youth, and the judgement that there would not be a further significant decline in visa student applications were expected to continue the high demand for admission into university. On the other hand, system capacity was also seen to be a determining factor as many universities would attempt to maintain existing enrolment levels, particularly in light of the disincentives to growth introduced in the new funding formula to be used in 1984-85. CESP projected only a modest increase of 1-2% for first year full-time undergraduate enrolment. However, the pipeline effect of increased admissions in recent years was expected to produce higher increases in undergraduate enrolment in upper years leading CESP to project a 2.9-3.9% increase in total undergraduate enrolment. At the graduate level, the anticipated decline in visa students was expected to be offset by an increased intake of Canadian masters and doctoral level students, leading to stable graduate enrolment in 1984-85.

Detailed 1984-85 data on full-time enrolment provided to CESP by the universities show that full-time undergraduate enrolment increased by 0.7% and full-time graduate enrolment by 0.6%. Summary data obtained from MCU show that part-time enrolment declined by 0.3% at the undergraduate level and by 1.2% at the graduate level.

Closer examination of the detailed full-time data shows that first year undergraduate enrolment (excluding education and professional programmes such as law and medicine) decreased by 3.7% in 1984-85, a decline of almost 1,800 students. In absolute terms, this decline was equally divided between Canadian/landed immigrant students and visa students. In relative terms, however, first year Canadian and landed immigrant enrolment decreased by 2%, with new entrants from Ontario grade 13 dropping by 1% and new entrants from all other sources by 5.8%. First year visa student enrolment decreased by almost 28%. This percentage decrease was similar for new visa student entrants from both grade 13 and from other sources. Only a few programmes showed enrolment increases in first year; physical education was up by 9% and social work by over 12%. Enrolment increases were also shown in landscape architecture, household science and physiotherapy and occupational therapy. First year enrolment in arts and science decreased by 4%, in commerce and business by 5%, in engineering by 4.3%, and in both fine arts and forestry by 17%.

Undergraduate enrolment in upper years (again excluding education and professional programmes) increased 3.4% in 1984-85, a gain of 3,200 students. While visa students declined by 14.2% (1,200 students), Canadian and landed immigrant enrolment registered an increase of 5.1% (4,400 students). Upper years enrolment in arts and science programmes increased by 6.4% but enrolment declined in commerce and business by 5.7% and in engineering by 3.9%. Other programmes, when added together, showed a net increase of 0.2%.

Following an increase of 8% in 1983-84, education programmes showed an enrolment decline of 7.4% in 1984-85, returning to the enrolment level experienced in 1982-83. Enrolment in professional programmes showed a marginal decline of 0.8%; this followed a 1% decline in 1983-84.

At the graduate level, full-time enrolment in master's and first stage doctoral programmes was virtually unchanged in 1984-85 while second stage doctoral enrolment increased by 2.1%. New entrants at the master's and first stage doctoral level declined by 4% and at the second stage doctoral level by 9%. These declines were due entirely to declines in Canadian and landed immigrant new entrants, 4.6% at the master's level and 11.3% at the second stage doctoral level, a complete reversal of the situation in 1983-84. Visa student new entrants increased 0.7% at the master's level and 3.7% at the second stage doctoral level in 1984-85, following sharp declines in the previous year. Upper years master's enrolment increased by 4% and upper years doctoral enrolment increased by 4.8%.

Projections for 1985-86

Enrolment in Ontario universities in 1984-85 is at an all time high as a result of enrolment increases in each of the past five years. While significant portions of the increases in the earlier years of this period could be attributed to visa students, in more recent years there have been higher increases of Canadian and landed immigrant entrants than might have been predicted. Some of the increase might be attributed to continuing high levels of unemployment, particularly among youth, which have probably led to an increase in the demand for admission to first year university.

a) Full-Time Undergraduate Enrolment

Preliminary data provided by the Ministry of Education show that Ontario grade 13 enrolment in Fall 1984 declined by 3.2% compared to the previous year. Statistics from the Ontario Universities' Application Centre show, on the other hand, that applicants from grade 13 seeking admission to first year university in Fall 1985 have increased marginally. This has occurred in spite of a decline of 1,000 in the number of grade 13 visa applicants. However, CESP does not view the number of students seeking admission into university as being the only factor affecting enrolment levels in 1985-86. While the report of the Commission on the Future Development of the Universities of Ontario was made public in mid-January, it appears unlikely that its release will have any impact on funding levels until 1986-87 at the earliest. Furthermore, it is unlikely that there will be any indications within the next few months as to whether any of the recommendations in the report will be acted upon. Given this climate of uncertainty, the Committee believes that the majority of Ontario universities will attempt to maintain existing enrolment levels. CESP projects that first year undergraduate enrolment (excluding education and professional programmes) will decline by 450 students in 1985-86, a drop of about 1%.

Although first year enrolment registered a decline in 1984-85, the pipeline effect of increased admissions in previous years will continue to result in higher enrolment in upper years (again excluding education and professional programmes). CESP projects that upper years enrolment will reach 100,000, an increase of just under

2%. Following declines in the current year, it is expected that enrolment in education will decline to 3,400 and enrolment in professional programmes will decline to 8,200.

In summary, CESP projects full-time undergraduate enrolment of around 156,800 in 1985-86. This represents an increase of 0.45%.

b) Full-Time Graduate Enrolment

As stated previously, Canadian and landed immigrant new entrants at the graduate level, in both master's and doctoral programmes, have fluctuated in recent years. The declines in new entrants in 1984-85 may be offset to some degree by the increases in upper years enrolment. The slight upturn in visa new entrants may indicate that the declines resulting from the imposition of higher visa student fees have passed and a stable pattern of visa enrolment, albeit at a reduced level, may now emerge. In consideration of all of these points, CESP projects that full-time graduate enrolment will remain stable in 1985-86.

c) Part-Time Enrolment

Notwithstanding the fact that part-time enrolment has exhibited more fluctuation from year to year than full-time enrolment, CESP, in recent years, has predicted that part-time enrolment would follow the pattern of full-time enrolment. The committee does not believe that this approach is appropriate this year for part-time undergraduate enrolment, which increased by 7.3% in 1982-83 and by 0.8% in 1983-84 and declined by 0.3% in 1984-85. CESP believes that these figures reflect a declining interest in part-time study at the undergraduate

level and, accordingly projects a decline of 2% for 1985-86. CESP expects that part-time graduate enrolment will remain stable in the coming year.

In summary, overall full-time equivalent enrolment (all levels both full-time and part-time) in the Ontario universities is projected to remain the same in 1985-86.

Appendix 2

Update of the

Ontario University Non-Salary Price Index

In 1978, the Non-Salary Price Index Task Force of the Committee of Finance Officers - Universities of Ontario, reported that it had developed a non-salary price index which was to provide "a more sensitive tool to assist in measuring the likely impact of inflation on non-salary expenditure, and a more accurate measure of the extent of inflationary erosion between any two years."* That index, the Ontario University Non-Salary Price Index (OUNSPI), measured both price changes between any two years and the overall change since the base period of the non-salary expenditure components, as well as the total non-salary portion of university budgets. It measured non-salary price changes for library acquisitions, equipment and furniture, operational supplies and expenses, utilities, renovations, alterations, and major repairs, externally contracted services, travel, insurance and space rental. Since its initial publication, the OUNSPI has been widely used and the methodology employed in its construction has been replicated elsewhere.

*Council of Ontario Universities, Ontario University Non-Salary Price Index, February 1978.

In 1984, the OUNSPI was revised to take account of altered patterns of expenditure. This publication updates to 1983-84 the index values and price variations published previously. To enable readers to utilize both the total OUNSPI and the various components, a series of tables are provided.

- Table A-1 provides information on the annual percentage variation of the various components.

- Table A-2 provides an update of index values for each component based on 1980-81 being equal to 100.0.

Table A-1

Annual Percentage Variation in the Ontario University Non-Salary Price Index Components

Component	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
Books	9.9	-3.7	-5.3	13.0	19.5	4.1	19.2	9.5	25.2	3.5	10.4	17.1	2.1e
Periodicals	8.3	11.3	23.7	6.9	17.1	9.5	17.8	22.3	11.0	14.5	16.0	17.7	12.5
Equipment	1.4	0.4	5.2	19.2	13.1	4.6	16.5	15.0	11.1	12.5	11.4	7.3	2.8
Computing	1.9	1.4	1.2	3.4	7.9	0.5	9.1	6.2	5.9	19.8	14.9	1.5	0.4
Furniture	5.0	4.7	11.0	14.8	8.5	6.1	4.9	7.0	12.8	10.4	12.3	7.1	4.5
Stationery and Paper	1.1	2.0	20.3	33.8	9.0	3.6	5.0	9.9	17.3	14.1	9.0	-0.6	0.9
Printing Materials	1.7	4.5	22.7	23.5	2.2	-0.7	4.2	7.2	14.2	10.0	10.3	2.6	2.7
Tools and Apparatus	3.2	2.3	6.8	16.0	10.9	6.5	11.6	10.6	16.7	14.3	11.6	8.3	4.3
Chemicals	1.1	1.8	11.0	30.5	10.0	4.2	6.0	8.7	16.7	15.0	12.6	5.0	3.3
Postage	12.3	7.6	-	-	0.4	19.3	25.3	17.0	19.6	0.2	24.2	40.9	5.1
Long Distance	2.6	4.5	1.9	1.0	3.7	7.4	9.3	5.6	3.5	4.5	11.6	15.1	5.4
Electricity	4.9	6.9	8.0	8.2	9.4	28.3	28.3	5.3	10.4	11.7	9.8	9.7	8.2
Gas	1.5	0.4	4.9	12.4	25.8	22.1	15.6	14.6	5.5	17.9	26.5	22.0	5.0
Oil	11.7	-3.3	54.4	52.1	10.1	18.5	20.8	14.8	26.8	22.4	24.6	7.4	13.7
Telephone	2.6	4.5	1.9	1.0	3.7	7.4	9.3	5.6	3.5	4.5	11.6	15.1	5.4
Water	-	-	-	7.7	8.5	12.3	11.7	7.6	7.3	8.3	12.3	11.8	6.7
Renovations	4.4	5.2	11.9	19.0	5.5	5.6	6.8	11.1	15.1	9.4	10.6	6.1	1.4
Transportation	3.9	1.8	5.0	11.0	12.2	9.2	6.0	6.6	11.4	14.4	18.1	10.6	4.7
Shelter	5.3	6.0	6.5	7.7	9.7	10.9	8.5	6.7	5.5	7.6	12.5	10.5	5.3
Food Away From Home	4.5	7.6	15.7	18.4	11.9	7.4	5.3	8.7	12.1	8.5	9.9	9.6	4.5
Insurance	28.5	20.9	22.4	13.2	26.0	21.2	12.2	5.9	5.8	8.9	20.0	8.4	5.6
Space Rental	5.3	6.0	6.5	7.7	9.7	10.9	8.5	6.7	5.5	7.6	12.5	10.5	5.3

e = estimated figure

Table A-2

Component Price Indices in the Ontario University Non-Salary Price Index

(Based on the Fiscal Year 1980-81 = 100)

Components	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
Books	42.0	46.1	44.4	42.0	47.5	56.8	59.1	70.5	77.2	96.6	100.0	110.4	129.3	131.9e
Periodicals	26.7	29.0	32.2	39.8	42.6	49.9	54.6	64.3	78.7	87.4	100.0	116.0	136.6	153.7
Equipment	39.6	40.1	40.3	42.4	50.5	57.1	59.7	69.6	80.0	88.9	100.0	111.4	119.5	122.9
Computing	58.0	59.1	60.0	60.7	62.7	67.7	68.0	74.2	78.8	83.5	100.0	114.9	116.6	117.0
Furniture	44.4	46.6	48.8	54.1	62.1	67.4	71.5	75.0	80.3	90.5	100.0	112.3	120.3	125.7
Stationery and Paper	34.5	34.9	35.6	42.8	57.3	62.4	64.7	68.0	74.7	87.6	100.0	109.0	108.4	109.3
Printing Materials	43.6	44.4	46.4	56.9	70.3	71.8	71.3	74.2	79.6	90.9	100.0	110.3	113.2	116.2
Tools and Apparatus	39.3	40.6	41.5	44.3	51.4	57.1	60.7	67.8	74.9	87.5	100.0	111.6	120.9	126.1
Chemicals	37.9	38.3	39.0	43.3	56.4	62.1	64.7	68.6	74.5	86.9	100.0	112.6	118.3	122.2
Postage	39.3	44.2	47.5	47.5	47.5	47.7	56.9	71.3	83.4	99.8	100.0	124.2	175.0	183.9
Long Distance	65.2	66.9	69.9	71.2	72.0	74.6	80.2	87.6	92.5	95.7	100.0	111.6	128.4	135.3
Electricity	32.7	34.3	36.6	39.6	42.8	46.8	60.0	77.0	81.1	89.5	100.0	109.8	120.5	130.4
Gas	32.9	33.4	33.5	35.1	39.5	49.7	60.7	70.2	80.4	84.8	100.0	126.5	154.3	162.0
Oil	14.0	15.7	15.2	23.4	35.6	39.2	46.5	56.2	64.5	81.7	100.0	124.6	133.8	152.2
Telephone	65.2	66.9	69.9	71.2	72.0	74.6	80.2	87.6	92.5	95.7	100.0	111.6	128.4	135.3
Water	54.5	54.5	54.5	54.5	58.7	63.7	71.6	80.0	86.0	92.3	100.0	112.3	125.6	134.0
Renovations	41.1	42.9	45.1	50.5	60.0	63.4	66.9	71.5	79.4	91.4	100.0	110.6	117.3	118.9
Transportation	46.0	47.7	48.6	51.1	56.7	63.6	69.5	73.7	78.5	87.4	100.0	118.1	130.6	136.7
Shelter	48.9	51.4	54.5	58.1	62.6	68.6	76.1	82.6	88.1	93.0	100.0	112.5	124.3	130.9
Food Away From Home	38.8	40.5	43.6	50.4	59.7	66.8	71.8	75.6	82.2	92.1	100.0	109.9	120.5	125.8
Insurance	22.2	28.6	34.5	42.3	47.8	60.3	73.0	82.0	86.8	91.9	100.0	120.0	130.1	137.3
Space Rental	48.9	51.4	54.5	58.1	62.6	68.6	76.1	82.6	88.1	93.0	100.0	112.5	124.3	130.9

e = estimated figure.

Figure A-1

Source and Weighting Pattern of Component Indices

Component	Index Weight	Source
Books	7	Bowker (U.S.) Hardcover Book Price Index, converted for Canadian dollar fluctuations
Periodicals	7	Bowker (U.S.) Periodical Price Index, converted for Canadian dollar fluctuations
Equipment	10	U.S. Department of Labor. Monthly Labor Review. Price index for machinery and equipment, converted for Canadian dollar fluctuations
Computing	10	Research Associates of Washington. Higher Education Prices and Price Indexes: 1984 Update. Data processing hardware. Converted for Canadian dollar fluctuations
Furniture	2	Statistics Canada Industry Selling Price Index - Office Furniture Manufacturers
Stationery and Paper	8	Statistics Canada Industry Selling Price Index - Paper and Allied Industries
Printing Materials	7	Statistics Canada Industry Selling Price Index - Fine Papers
Tools and Apparatus	8	Statistics Canada Industry Selling Price Index - Hardware, Tool and Cutlery Manufacturers
Chemicals	4	Statistics Canada Industry Selling Price Index - Chemical & Chemical Products Industries
Postage	3	Statistics Canada Consumer Price Index - Postage
Long Distance	2	Statistics Canada Consumer Price Index - Communications
Electricity	9	Statistics Canada Industry Selling Price Index - Electric Power Selling Price Index (Non-Residential) over 5,000 KW - Ontario
Gas	7	Statistics Canada Consumer Price Index - Piped and Bottled Gas
Oil	1	Statistics Canada Industry Selling Price Index - Heavy Fuel Oil, #6
Telephone	4	Statistics Canada Consumer Price Index - Communications
Water	1	Statistics Canada Consumer Price Index - Water
Renovations	3	Statistics Canada Non-Residential Construction Price Index - Materials
Transportation	3	Statistics Canada Consumer Price Index - Transportation
Shelter	1	Statistics Canada Consumer Price Index - Shelter
Food Away From Home	1	Statistics Canada Consumer Price Index - Food Purchased From Restaurants
Insurance	1	Statistics Canada Consumer Price Index - Homeowner's Insurance Premiums
Space Rental	1	Statistics Canada Consumer Price Index - Shelter